Supply Discrepancy Report (SDR) Transformation Initiative & DoD WebSDR

Information Exchange under the Defense Logistics Management System (DLMS)

DLA J-6251

April 26

What is the DLMS?

- **The Defense Logistics Management System is a broad base of business rules, data standards and electronic business objects (information exchange forms) designed to meet DoD's requirements for logistics support.**
  - **Developed in collaboration with representatives from the Military Departments, Defense Agencies, and participating Federal Agencies**
  - **Accommodates the legacy data content & business processes, while supporting future processes and information exchange requirements using commercial EDI standards**
  - **Encompasses all the MILS, including SDR, and is expanding to provide business object support for many related logistics functions currently using legacy transactions**

More about the DLMS:

- **Includes procedures, data standards, code lists, metrics, policies, and transaction formats**
- **Business objects are supported by commercial electronic data exchange (EDI) standards.**
  - **Accredited Standards Committee (ASC) X12 standards**
  - **Federally-approved implementation conventions (ICs)**
  - **DLMS Supplements (DSs) *[e.g., the 842A, Standard SDR]***
  - **Emerging EB technologies – Extensible Markup Language (XML)**
- **Maintains capability to communicate standard system logistics information requirements while expanding to support new initiatives such as: Unique Identification (UID); Radio Frequency Identification (RFID)**

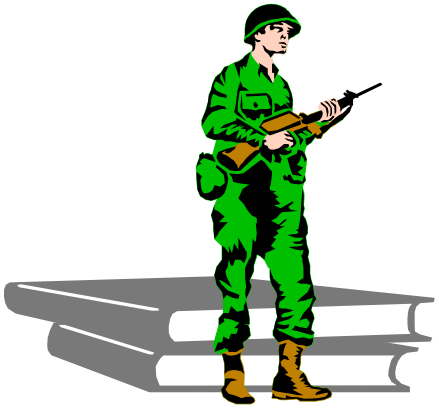
Transformation Under the DLMS

- **DLMS is expanding its overarching logistics role to meet today's enterprise integration challenge and support the future logistics enterprise by:**
  - **Migrating DoD from proprietary EDI to flexible commercial standards**
  - **Actively supporting Component modernization efforts**
  - **Exploring & implementing new technology solutions**
  - **Reengineering the DoDAAD (Prototype for reference repositories)**
  - **Supporting DoD Transformation Initiatives (UID, RFID, SDR, etc)**
  - **Support the adoption of the best business practices**

Defense Logistics Management Standards Office (DLMSO)

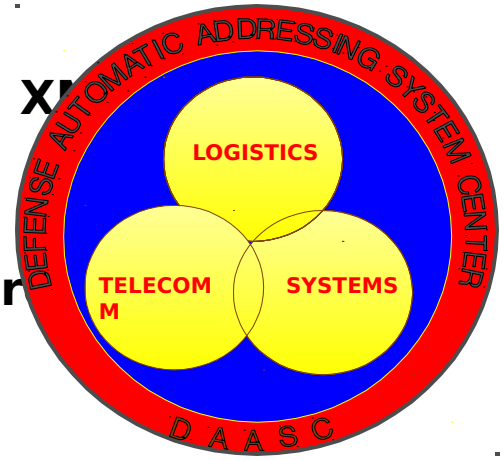
- **Facilitate communication and interoperability between trading partners**
- **Facilitate continuous process improvements to logistics management and operations**
- **Develop business rules that implement OSD logistics policy**
- **Develop and manage the DoD logistics information exchange infrastructure**
- **Publish detailed procedures identifying who does what, when, and how**
  - **Administer DLMS and MILS**
- **Chair DoD Process Review Committees**
  - **Including SDR Subcommittee**

DoD's Executive Agent for Logistics Data Interchange



Defense Automatic Addressing System Center (DAASC)

- **The DAASC mission is to perform as an interoperable gateway for the DoD Components, Government activities, and Foreign Military Sales countries to provide value added services and to deliver logistics data to the appropriate destination, efficiently, expeditiously and accurately.**
- **DoD E-Business Infrastructure … Global E-Business Exchange (GEX)**
- **Mapping and Translation**
  - **Translation from DLMS X12 and DLMS XML to support trading partners**
  - **DLMS X12 Maps and XML Schemas implemented into DAASC infrastructure**



DoD Directive 8190.1
DoD Logistics Use of EDI Standards
(May 5, 2000)

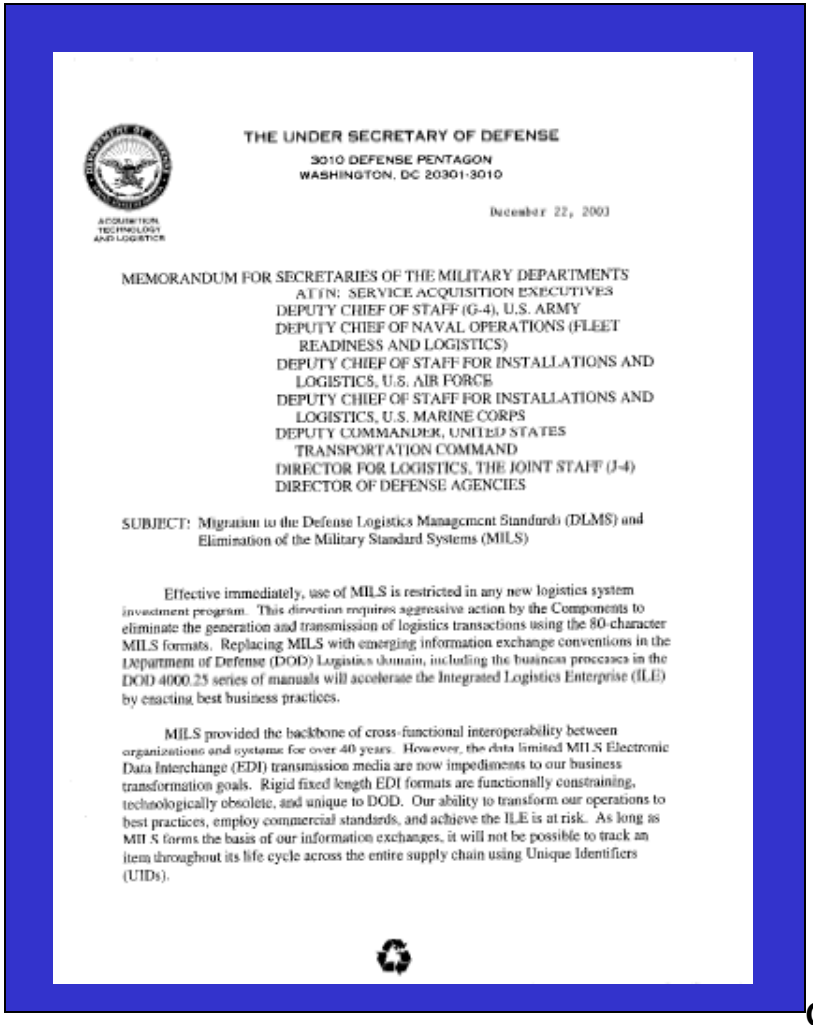
- **Use approved EDI standards and supporting implementation conventions (ICs) for DoD logistics business transactional data exchange**
- **Develop and apply DoD corporate services and processes to minimize duplication and ensure interoperability**
- **Use DLMS as process improvement enabler**
  - **Use in new, replacement and major modifications of logistics business systems**
  - **Use as part of ongoing and plann modernization programs**

DoD 4140.1-R
DoD Supply Chain Material Management Regulation
(May 23, 2003)

- **Super Reg & DLMS**
  - **DoD Components shall support and maintain DLMS to implement DoD supply chain management policy**
  - **DLMS shall be the primary system governing logistics functional business management standards and practices**
  - **DLMSO shall provide configuration management for DLMS**
  - **DLMS shall be the basis for new, replacement, and major modifications to logistics business processes/systems**
- **Super Reg & SDRs**
  - **All discrepant receipts shall be reported under established DoD Regulations covering supply, transportation, or quality discrepancies.**
  - **DoD activities responsible for resolving discrepancy reports should have a capability to automatically receive deficiency reports, store and process (e.g., categorize, sort, and access related deficiencies), assign investigations, and automatically route and track disposition**

USD(AT&L) Memorandum, Migration to the DLMS and Elimination of the MILS signed by Mr. Michael W. Wynn, December 22, 2003

- **No new or developing systems shall use MILS transactions**
- **MILS transactions shall no longer be exchanged**
- **Use only DLMS ASC X12 or equivalent XML schemas Effective: January 1, 2005**



THE UNDER SECRETARY OF DEFENSE
3010 DEFENSE PENTAGON
WASHINGTON, DC 20301-3010

ACQUISITION, TECHNOLOGY AND LOGISTICS

December 22, 2003

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
ATTN: SERVICE ACQUISITION EXECUTIVES
DEPUTY CHIEF OF STAFF (G-4), U.S. ARMY
DEPUTY CHIEF OF NAVAL OPERATIONS (FLEET READINESS AND LOGISTICS)
DEPUTY CHIEF OF STAFF FOR INSTALLATIONS AND LOGISTICS, U.S. AIR FORCE
DEPUTY CHIEF OF STAFF FOR INSTALLATIONS AND LOGISTICS, U.S. MARINE CORPS
DEPUTY COMMANDER, UNITED STATES TRANSPORTATION COMMAND
DIRECTOR FOR LOGISTICS, THE JOINT STAFF (J-4)
DIRECTOR OF DEFENSE AGENCIES

SUBJECT: Migration to the Defense Logistics Management Standards (DLMS) and Elimination of the Military Standard Systems (MILS)

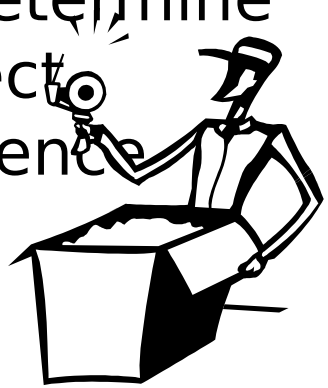
Effective immediately, use of MILS is restricted in any new logistics system investment program. This direction requires aggressive action by the Components to eliminate the generation and transmission of logistics transactions using the 80-character MILS formats. Replacing MILS with emerging information exchange conventions in the Department of Defense (DOD) Logistics domain, including the business processes in the DOD 4000.25 series of manuals will accelerate the Integrated Logistics Enterprise (ILE) by enacting best business practices.

MILS provided the backbone of cross-functional interoperability between organizations and systems for over 40 years. However, the data limited MILS Electronic Data Interchange (EDI) transmission media are now impediments to our business transformation goals. Rigid fixed length EDI formats are functionally constraining, technologically obsolete, and unique to DOD. Our ability to transform our operations to best practices, employ commercial standards, and achieve the ILE is at risk. As long as MILS forms the basis of our information exchanges, it will not be possible to track an item throughout its life cycle across the entire supply chain using Unique Identifiers (UIDs).

What Is A SDR?

- A Supply Discrepancy Report (SDR) is a tool used to report **shipping** or **packaging** discrepancies attributable to the responsibility of the shipper, (including Government sources, contractors/ manufacturers or vendors) and to provide appropriate responses and resolution.

- The purpose of this exchange is to determine the cause of such discrepancies, effect corrective action, and prevent recurrence.



SDR Program

- **The supply discrepancy reporting program is designed to promote evaluation, correction, and improvement of logistics operations.**
- **To assist DoD Components in their SDR quality programs that will include periodic reviews to assess the accuracy and quality of work processes applicable to supply discrepancy processing.**
- **Data collected enables DOD to:**
  - **Identify trends**
  - **Establish volume and dollar values of SDRs**
  - **Bring management attention to problems with shipping activities as necessary**
  - **Improves the requisitioning and distribution process within logistics operations**
- **Official SDR guidance available at: http://www.dla.mil/j-6/dlmso/eLibrary/Manuals/SDR/DLAI4140.55-FINALAug2001.doc**

What is DoD WebSDR?

- **SDR Transformation Initiative**
  - **Moves SDRs into an integrated transactional environment**
  - **Initiative approved by OSD BIC; now under oversight of OSD (L&MR) SCI**

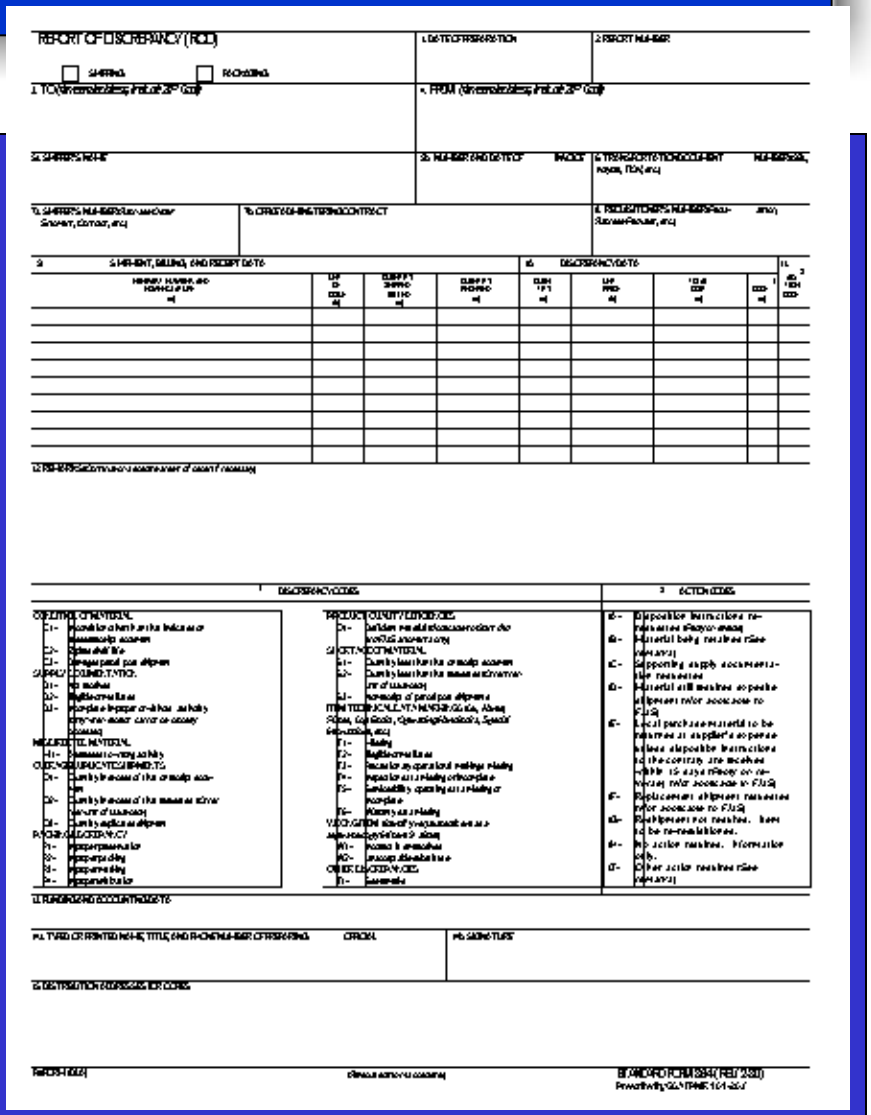
- **Benefits include:**
  - **Near real time SDR reporting for immediate identification and more speedy resolution of reported discrepancies**
  - **Facilitates interoperability internal and external to DoD**
  - **Maximizes the economy, efficiency, effectiveness**
  - **Future capture of perfect order fulfillment computations**

What is DoD WebSDR?

- **WebSDR architecture is based upon a DAAS hub for communication and centralized data management**
  - **Eliminates the need for numerous point-to-point communications links**
  - **Transaction driven process eliminates the need to re-key SDRs within separate Component systems**
  - **Automatic e-mail reply to customer triggered by reply transaction eliminates action activity manual steps to print/mail/fax**
  - **Any-to-any translation capability to support communication of Component-system originated SDRs, replies, and follow-on actions until full migration to the DLMS standard transactional exchange**

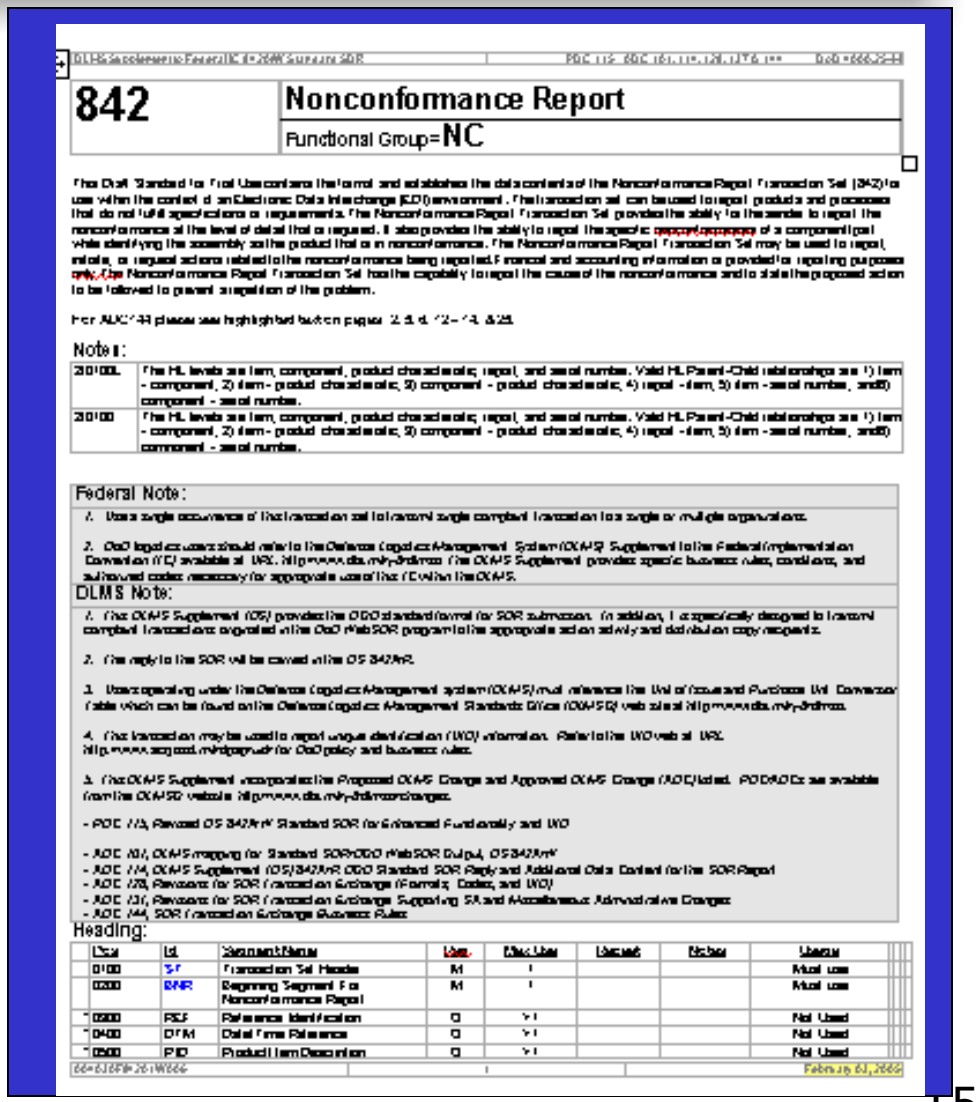
Business Object: DLMS 842A Derived from SF 364

- **Modernized systems will use business objects to transmit SDRs**
- **DLMS 842A available in X12 and XML format**
  - **Includes data fields from the original SF 364**
  - **DLMS codes to support transactional exchange**
  - **Component-unique data requirements**
  - **Place holders for future enhancements, e.g., UID**


REPORT OF DISCREPANCY (ROD)

Business Object: DLMS 842A DLMS Supplement to Fed IC
DoD 4000.25-M

- **Primary business object documentation is the DLMS Supplement (DS):**
  - **The DS establishes the DoD standard format for an electronic equivalent of the SF 364/SDR.**
  - **The DS provides specific business rules, conditions, and authorized codes necessary for appropriate use of this IC within the DLMS.**
  - **Used to replace Component unique formats and paper form.**



842 Nonconformance Report

Functional Group=NC

The Draft Standard for Trial Use contains the format and establishes the data contents of the Nonconformance Report Transaction Set (842) for use within the context of an Electronic Data Interchange (EDI) environment. The transaction set can be used to report products and processes that do not fulfill specifications or requirements. The Nonconformance Report Transaction Set provides the ability for the sender to report the nonconformance at the level of detail that is required. It also provides the ability to report the specific appropriate/appropriate of a component part while identifying the assembly as the product that is in nonconformance. The Nonconformance Report Transaction Set may be used to report, initiate, or request actions related to the nonconformance being reported. Financial and accounting information is provided for reporting purposes only. The Nonconformance Report Transaction Set has the capability to report the cause of the nonconformance and to state the proposed action to be followed to prevent recurrence of the problem.

For AUC 744 please see highlighted bottom paper 2, 5, 6, 12 – 14, & 25.

Note 1:

20100	The HL levels are Item, component, product characteristic, repair, and serial number. Valid HL Parent-Child relationships are 1) Item - component, 2) item - product characteristic, 3) component - product characteristic, 4) repair - item, 5) item - serial number, and6) component - serial number.
20100	The HL levels are Item, component, product characteristic, repair, and serial number. Valid HL Parent-Child relationships are 1) Item - component, 2) item - product characteristic, 3) component - product characteristic, 4) repair - item, 5) item - serial number, and6) component - serial number.

Federal Note:

1. Does single occurrence of this transaction set to transmit single compliant transaction for single or multiple organizations.
2. DoD logistics users should refer to the Defense Logistics Management System (DLMS) Supplement to the Federal Implementation Convention (IC) available at WEB: http://www.dla.mil/j-6/dlmso. The DLMS Supplement provides specific business rules, conditions, and authorized codes necessary for appropriate use of this IC within the DLMS.

DLMS Note:

1. The DLMS Supplement (DS) provides the DOD standard format for SDR submission. In addition, it is specifically designed to transmit compliant transactions originated in the DoD Web SDR program to the appropriate action activity and distribution copy recipients.
2. The reply to the SDR will be passed in the DS 842A/R.
3. Users operating under the Defense Logistics Management System (DLMS) must reference the Unit of Issue and Purchase Unit Conversion Table which can be found on the Defense Logistics Management Standards Office (DLMSO) web site at http://www.dla.mil/j-6/dlmso.
4. This transaction may be used to report unique identification (UID) information. Refer to the UID web at WEB: http://www.acq.osd.mil/dpap/pdi for DoD policy and business rules.
5. The DLMS Supplement incorporates the Proposed DLMS Change and Approved DLMS Change (ADC) listed. PDC/ADCs are available from the DLMSO website http://www.dla.mil/j-6/dlmso/changes.

- PDC 770, Revised DS 842A/R Standard SDR for Enhanced Functionality and UID
- ADC 801, DLMS mapping for Standard SDR/DOD Web SDR Output, DS 842A/R
- ADC 774, DLMS Supplement (DS) 842A/R DOD Standard SDR Reply and Additional Data Content for the SDR Report
- ADC 778, Revisions for SDR Transaction Exchange (Formats, Codes, and UID)
- ADC 781, Revisions for SDR Transaction Exchange Supporting SA and Miscellaneous Administrative Changes
- ADC 744, SDR Transaction Exchange Business Rules

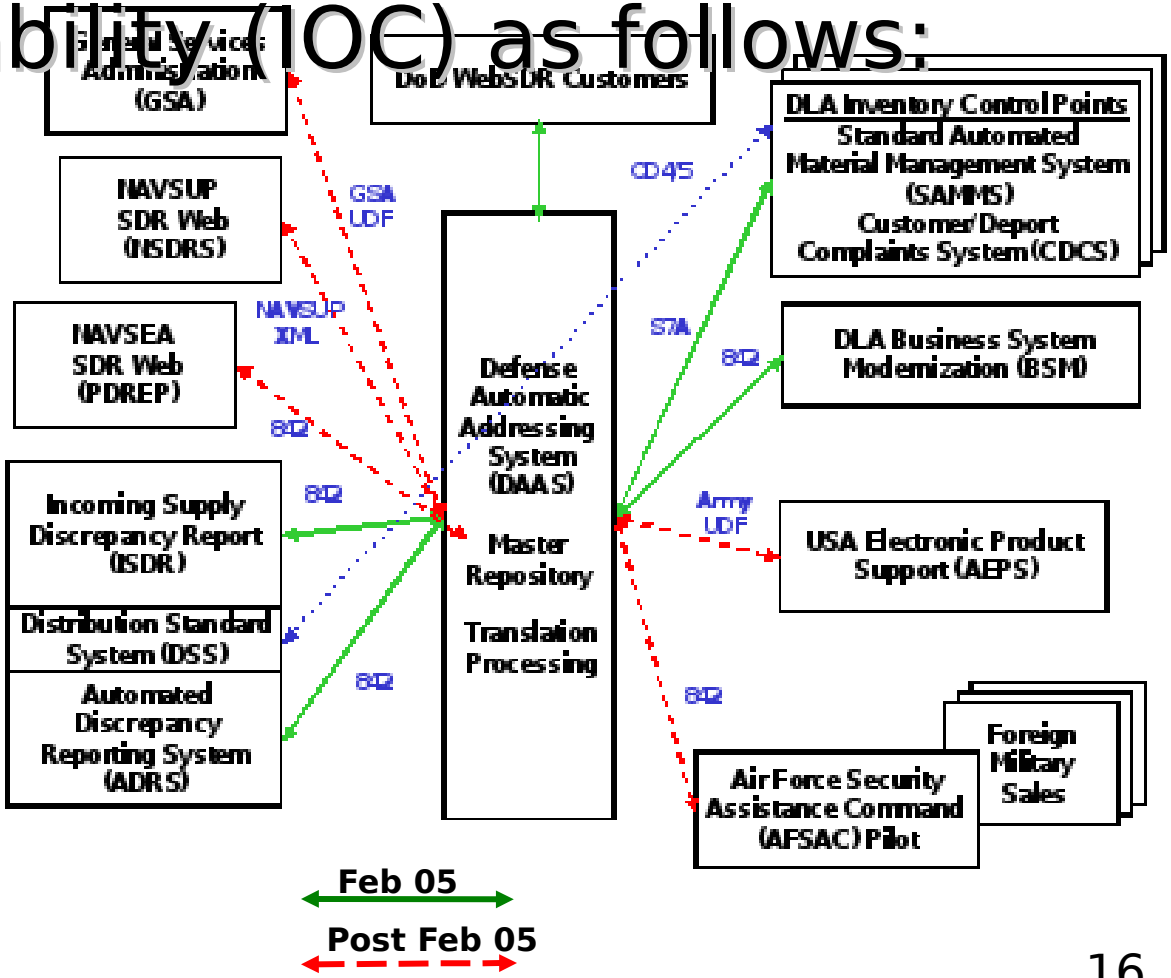
Heading:

Pos	Id	Segment Name	Use	Max Use	Repeat	Notes	Usage
0100	ST	Transaction Set Header	M	1			Must use
0200	BNR	Beginning Segment For Nonconformance Report	M	1			Must use
0300	REF	Reference Identification	O	>1			Not Used
0400	DTM	Date/Time Reference	O	>1			Not Used
0500	PID	Product Item Description	O	>1			Not Used

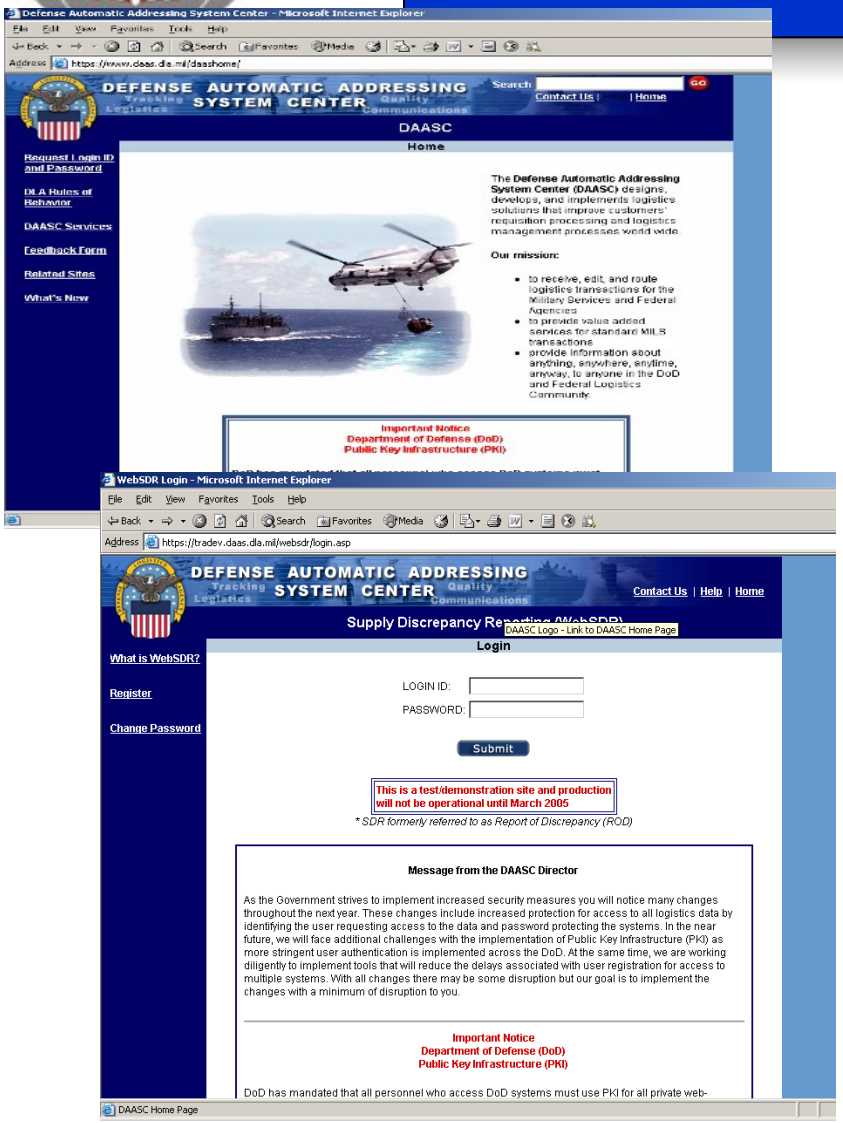
Implementation Approach

Phased implementation with initial operating capability (IOC) as follows:

- **Ability to receive and pass SDR information using transactional exchange or email**
- **Ability to create SDRs via DoD WebSDR (submission, follow-up, change, cancel, reply, request reconsideration)**
- **DoD SDR data base**
- **Limited query capability**

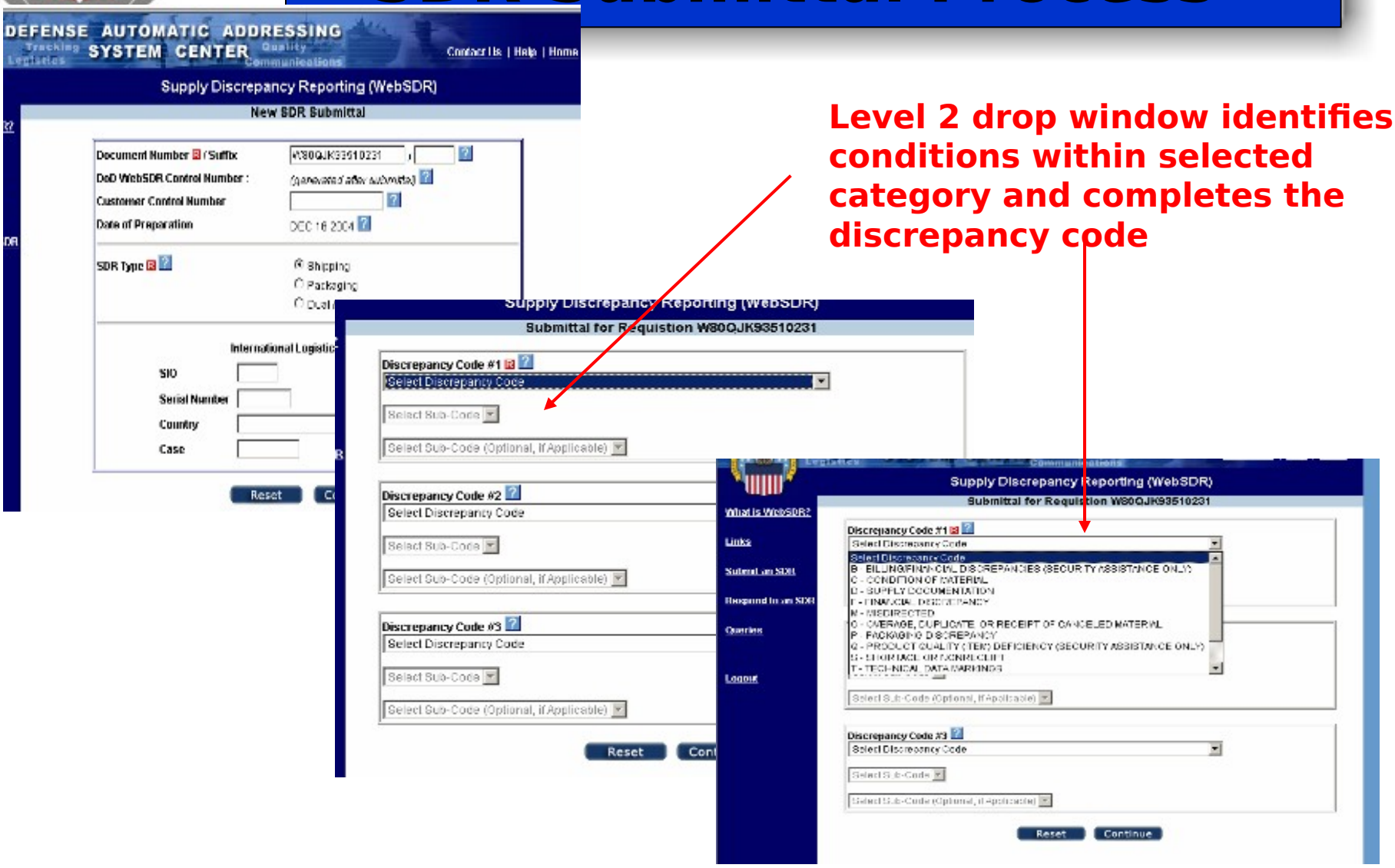


DoD WebSDR Access


Defense Automatic Addressing System Center - Microsoft Internet Explorer
DEFENSE AUTOMATIC ADDRESSING SYSTEM CENTER
DAASC
Home
Request Login ID and Password
DLA Rules of Behavior
DAASC Services
Feedback Form
Related Sites
What's New
Contact Us | Home
The Defense Automatic Addressing System Center (DAASC) designs, develops, and implements logistics solutions that improve customers' requisition processing and logistics management processes world wide.
Our mission:
to receive, edit, and route logistics transactions for the Military Services and Federal Agencies
to provide value added services for standard MILS transactions
provide information about anything, anywhere, anytime, anyway, to anyone in the DoD and Federal Logistics Community.
Important Notice
Department of Defense (DoD)
Public Key Infrastructure (PKI)
WebSDR Login - Microsoft Internet Explorer
https://tradev.daas.dla.mil/websdr/login.asp
DEFENSE AUTOMATIC ADDRESSING SYSTEM CENTER
Contact Us | Help | Home
Supply Discrepancy Reporting (WebSDR)
DAASC Logo - Link to DAASC Home Page
What is WebSDR?
Register
Change Password
Login
LOGIN ID:
PASSWORD:
Submit
This is a test/demonstration site and production will not be operational until March 2005
* SDR formerly referred to as Report of Discrepancy (ROD)
Message from the DAASC Director
As the Government strives to implement increased security measures you will notice many changes throughout the next year. These changes include increased protection for access to all logistics data by identifying the user requesting access to the data and password protecting the systems. In the near future, we will face additional challenges with the implementation of Public Key Infrastructure (PKI) as more stringent user authentication is implemented across the DoD. At the same time, we are working diligently to implement tools that will reduce the delays associated with user registration for access to multiple systems. With all changes there may be some disruption but our goal is to implement the changes with a minimum of disruption to you.
Important Notice
Department of Defense (DoD)
Public Key Infrastructure (PKI)
DoD has mandated that all personnel who access DoD systems must use PKI for all private web-
DAASC Home Page

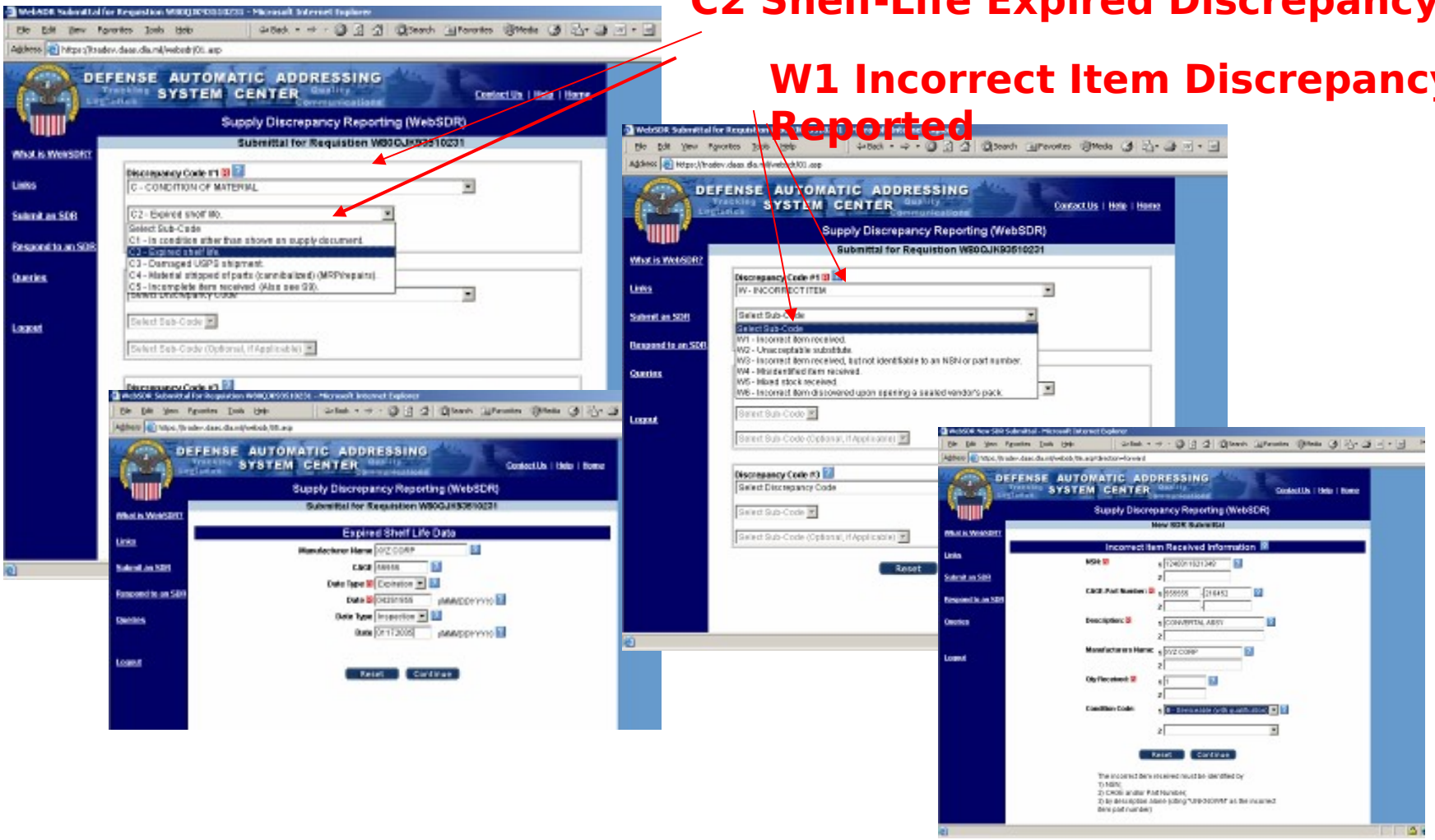
- **Access to Internet WEBSDR may be obtained by completing an online System Access Request (SAR), from the DAASC WWW Site: https://www.daas.dla.mil/daashome**
- **Restricted access during initial IOC**
  - **DLA: Distribution Depot, Inventory Control Point (ICP), and Customer Service Representatives)**
  - **USAF: ICP, Packaging Control Point, Base SDR Monitors**
- **Over time, usage by customers will be subject to Service guidance**

WebSDR Training: SDR Submittal Process

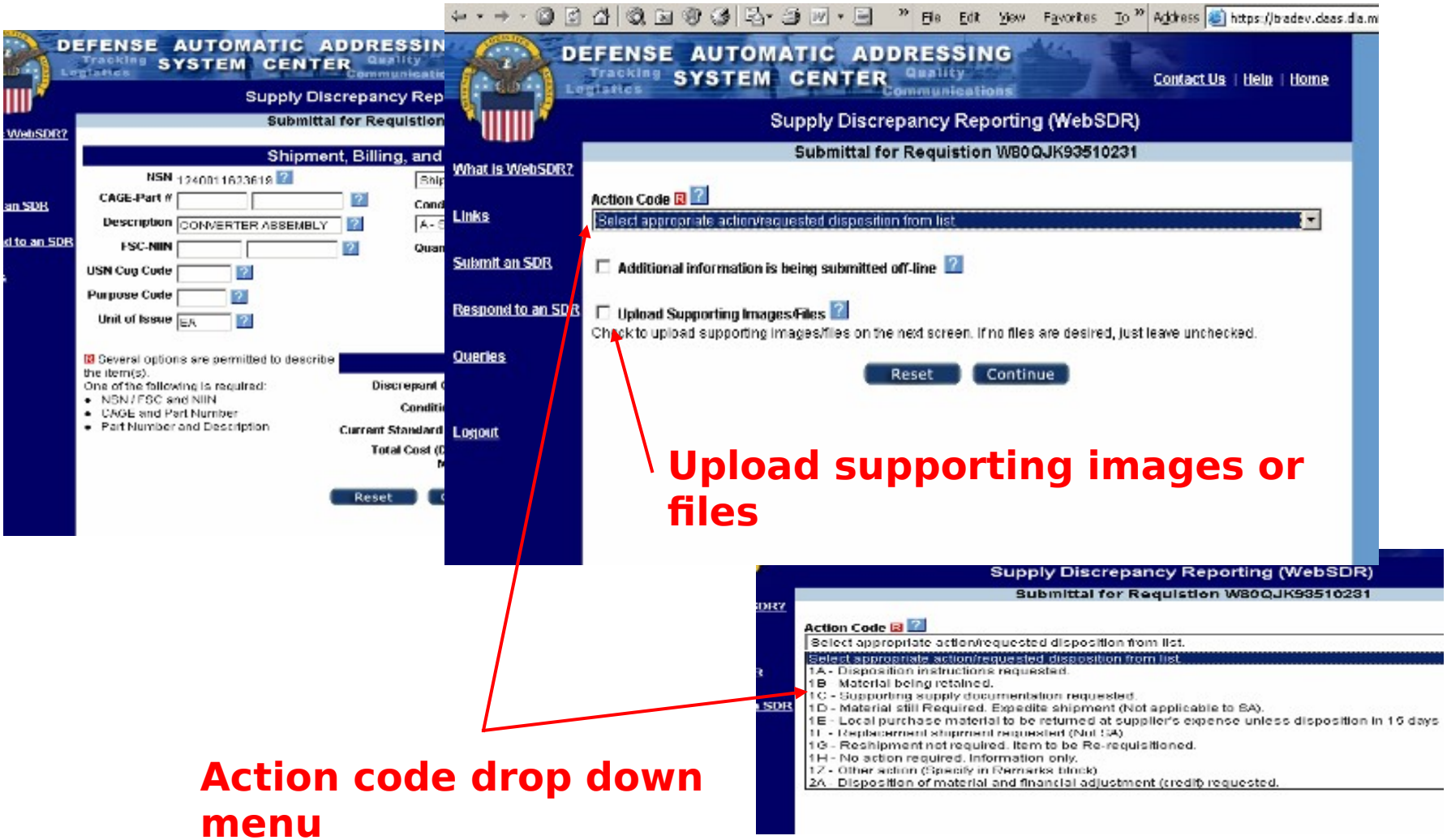


Level 2 drop window identifies conditions within selected category and completes the discrepancy code

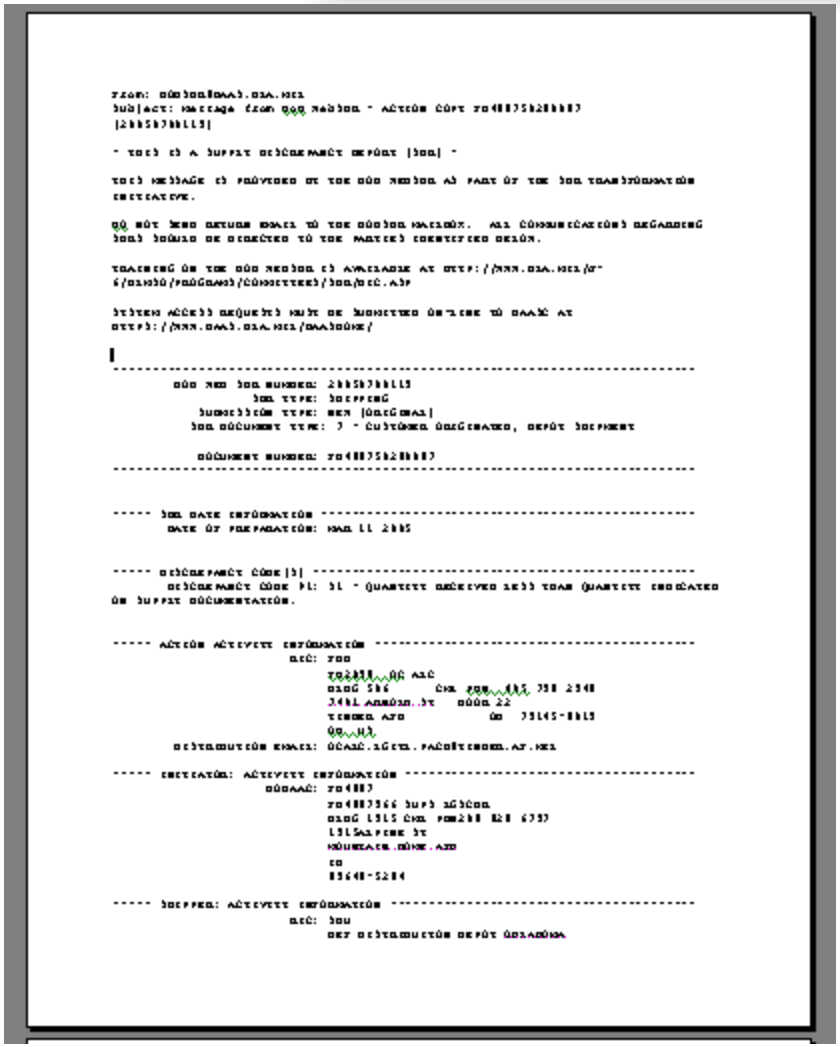
WebSDR Training: SDR Submittal Process

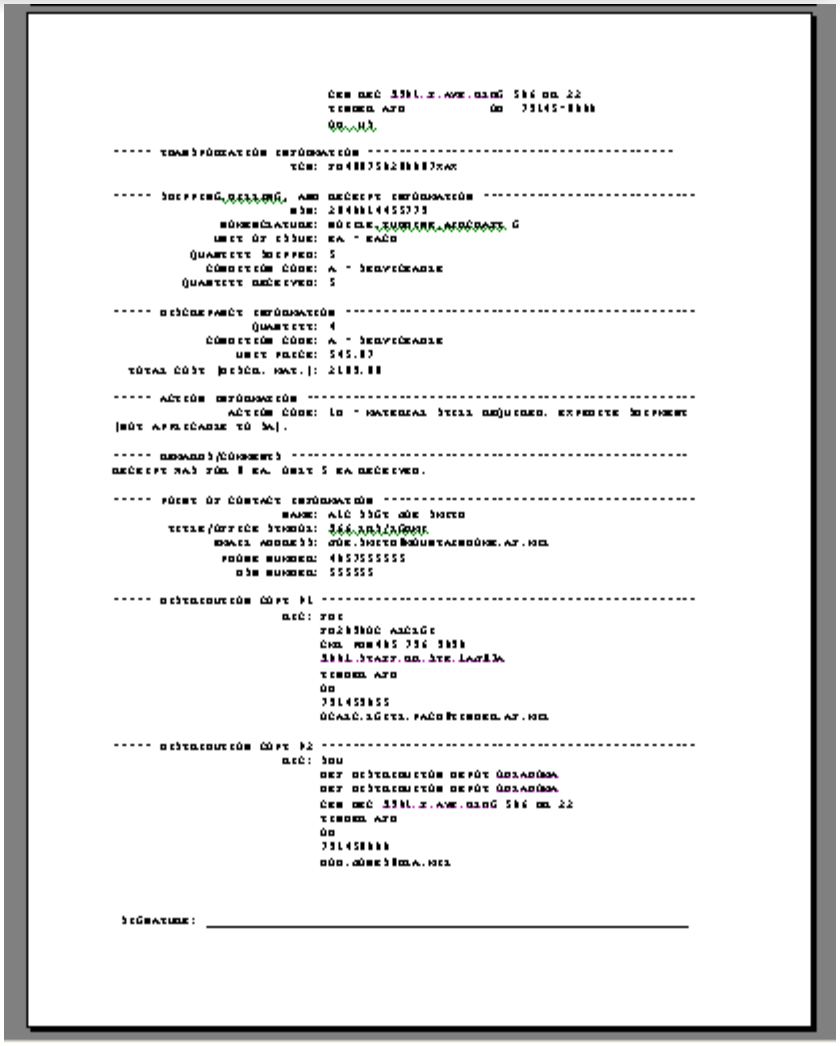

C2 Shelf-Life Expired Discrepancy repo
W1 Incorrect Item Discrepancy Reported
DEFENSE AUTOMATIC ADDRESSING SYSTEM CENTER
Supply Discrepancy Reporting (WebSDR)
Expired Shelf Life Data
Incorrect Item Received Information

WebSDR Training: SDR Submittal Process

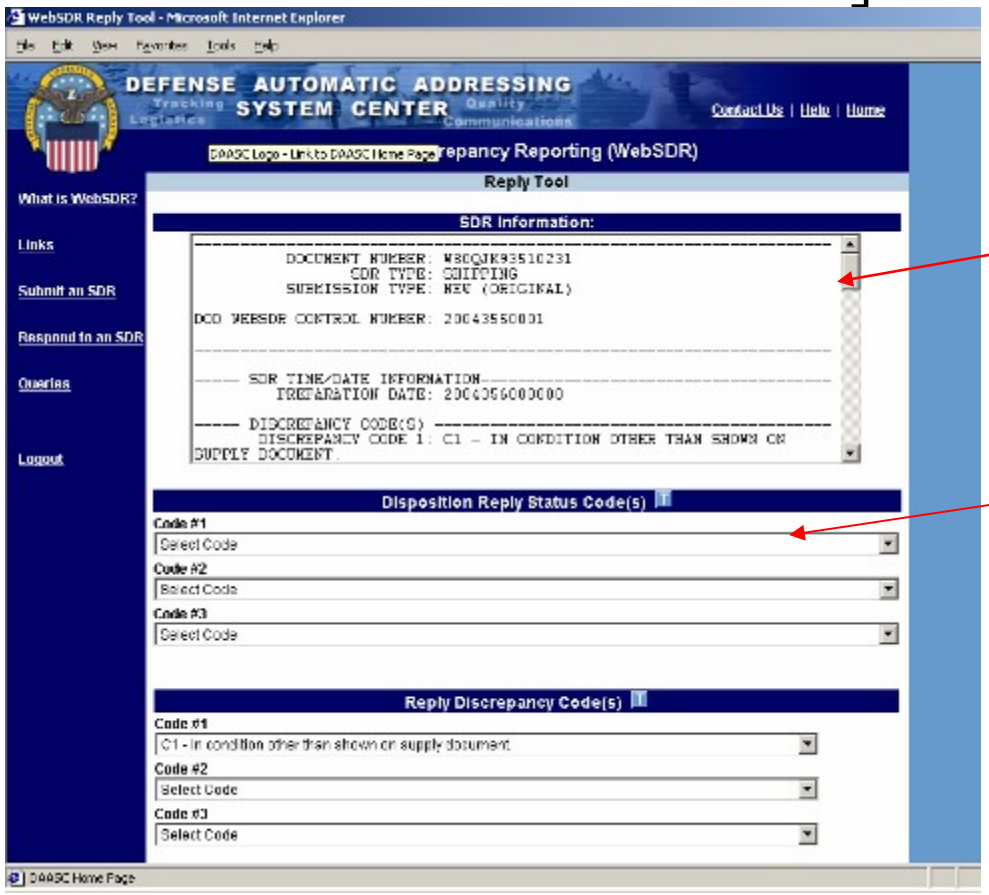

DEFENSE AUTOMATIC ADDRESSING SYSTEM CENTER
Supply Discrepancy Reporting (WebSDR)
Submittal for Requisition WB0QJK93510231
Contact Us | Help | Home
What is WebSDR?
Links
Submit an SDR
Respond to an SDR
Queries
Logout
Action Code
Select appropriate action/requested disposition from list
Additional information is being submitted off-line
Upload Supporting Images/Files
Check to upload supporting images/files on the next screen. If no files are desired, just leave unchecked.
Reset
Continue
Upload supporting images or files
Action code drop down menu
1A - Disposition instructions requested.
1B - Material being retained.
1C - Supporting supply documentation requested.
1D - Material still Required. Expedite shipment (Not applicable to SA).
1E - Local purchase material to be returned at supplier's expense unless disposition in 15 days
1F - Replacement shipment requested (Not SA)
1G - Reshipment not required. Item to be Re-requisitioned.
1H - No action required. Information only.
1Z - Other action (Specify in Remarks block)
2A - Disposition of material and financial adjustment (credit) requested.

Email Action Copy Notification





WebSDR Training: Action Activity Response



Use the scroll bar to view the entire SDR document

Use the drop down menu to select the appropriate disposition/reply code(s).
Up to three codes may be selected for customer – submitted SDRS. However, only one may be used for Distribution

Next Steps for WebSDR

- **Expand interfaces to include Service systems**
- **Develop management reports and additional queries**
- **Develop methodology for perfect order fulfillment metric**
- **Improve access to historical records**
- **Integrate access to applicable financial resolution**
- **Use infrastructure to support Storage Quality Control Reports, DD 1225, under DLMS**

Where to Find WebSDR Training & DLMS Transactions

- **DLMSO Web Site:**
  - **Home page**
    - **http://www.dla.mil/j-6/dlmso/**
  - **WebSDR Training**
    - **http://www.dla.mil/j-6/dlmso/Programs/Committees/SDR/bic.asp**
  - **DLMS X12**
    - **http://www.dla.mil/j-6/dlmso/elibrary/TransFormat**
  - **DLMS XML Schemas**
    - **http://www.dla.mil/j-6/dlmso/eLibrary/TransFormats/xml.asp**

- **Who to contact:**
  - **Mr. James A. Johnson, Director, Defense Logistics Management Standards Office (DLMSO), DLA J-6251 - - ja.johnson@dla.mil**
  - **Ms. Ellen Hilert, DoD Supply Process Review Committee Chair, DoD Supply Discrepancy Report System Administrator - - ellen.hilert@dla.mil**

Concept to Implementation

ST*842*000000001*004030F842A0WP00
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PER*PU*J W JONES*AU*6259999
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HL*1**RP
LIN**FS*5340005867579*****CN*STRAP,WEBBING
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REF*F8*N21800050061
REF*87*S
REF*TG*M2180043026303XXX
REF*TN*M2180043026303
REF*NN*20050590008*WEBSDR
LM*DF
LQ*D*7
LQ*83*A
LQ*HB*2K
NCD**5*1
NTE*RPT*REQUEST PROOF OF SHIPMENT OR CREDIT FOR MATL ORDERED AND NOT RECEIVED.
QTY*86*48*EA
QTY*39*48*EA
QTY*87*0*EA
AMT*10*137.28
AMT*Z3*2.86
N1*LW*COMMANDING OFFICER*10*M21800
N2*CAB 3D MARDIV MINUS REIN*UNIT 36280
N3*FPO
N4***966026280
N1*SH**M4*SDF
N1*SUS**M4*S9I
LM*DF
LQ*HA*S4
LQ*83*A
SE*35*000000001

Next Briefing